

## Medicaid for Workers with Disabilities Program

January 2013

The Balanced Budget Act of 1997 (BBA) and the Ticket to Work and Work Incentives Improvement Act of 1999 (TWWIIA) allowed states to provide Medicaid coverage to working individuals with disabilities who, because of their earnings or resources, did not qualify for Medicaid under other laws or programs. During 2005, Montana submitted a grant application and was awarded funding to assist in developing such a program.

The 2009 Montana Legislature passed SB 119, an act requiring the creation and implementation of a Montana Medicaid for Workers with Disabilities Program. The purpose of the program is to provide a "health care bridge" for working people with disabilities by providing the opportunity to begin or continue to receive Medicaid benefits while employed. Montana chose to follow the Balanced Budget Act criteria for the group to avoid any inference of age discrimination which could result from following the Ticket To Work and Work Incentives Act.

Medicaid for Workers with Disabilities (MWD) is available to individuals who:

- Meet all non-financial eligibility criteria for Medicaid, such as state residency, US citizenship or eligible alien status,
- Are disabled according to Social Security criteria or would be considered disabled if not for current work activities,
- Are at least 16 years old,
- Are employed,
  - Qualifying work activities may include active self-employment.
- Have countable assets below \$8000 if a single individual, or \$12,000 if married,
  - The individual's home, one vehicle and retirement accounts are not countable
- Have total countable income of 250% of federal poverty level or below.
  - Countable income is total income after deduction of \$20 from all income, as well as deductions of the first \$65 of earnings, plus a deduction of one-half of all remaining earnings.

If an individual qualifies for Medicaid for Workers with Disabilities, he or she will be eligible to receive Medicaid by paying a cost share fee from a sliding fee scale based on his or her own income. This cost share fee varies from \$35 to \$135 per month. Enrolled members of federally recognized tribes are not subject to the cost share fee.

Cost Share Fee Chart:

Monthly Income (% of poverty)→	100% FPL or less*	150% FPL (Above 100%)*	200% FPL (Above 150%)*	250% FPL (Above 200%)*
Cost Share Fee (Monthly)	\$35	\$67	\$100	\$135

- ▶ Cost share fees are not reduced by incurred medical expenses
- ▶ Cost share fees are not the same as incurments
- ▶ Any month the cost share is NOT paid, Medicaid will not be issued

In June 2012, 499 individuals paid cost share fees to participate in the Medicaid for Workers with Disabilities program; another 149 individuals were eligible for MWD but were either exempt from paying a cost share or chose to forego the coverage for that month. Of the 648 eligible individuals, 423 had claims submitted to date on their behalf totaling \$331,768.

**Example:**

Jason is an adult with disabilities. Jason receives \$1020 per month in Social Security Disability payments, a \$500 per month pension, and he works 25 hours per week at a local business, earning \$1065 per month. Jason has countable assets that include a \$5000 certificate of deposit and \$2000 in his checking account. He also owns a vehicle, is purchasing his home and has \$6000 in a retirement account.

Under 'regular' Medicaid program rules, Jason would not qualify for Medicaid because of his certificate of deposit, checking account and his retirement account exceeding Medicaid asset limits (generally \$2000 for a single individual).

If Jason did not have these assets, he would qualify for Medicaid, but he would have an incurment, which is similar to a deductible on health insurance, of \$1375 per month before he could qualify for Medicaid; effectively, he would be responsible for the first \$1375 of his monthly medical expenses before Medicaid would be available to assist by paying additional costs.

However, under Medicaid for Workers with Disabilities, Jason does qualify for Medicaid after paying a cost share fee of \$135 each month.